derived from tissues which do not normally express P-glycoprotein but in which P-glycoprotein expression increases during the development of the cancer. One example is chronic myelogenous leukemia, which when it goes into blast crisis, expresses more P-glycoprotein irrespective of the previous treatment history (Gottesman, M.M. *Cancer Research*, 53:747-754 (1993)).

A1 cont.

On page 5, replace the paragraph starting on line 8 with the following:

In another aspect, the invention includes a liposome composition for administration of a therapeutic compound to the cytoplasm of a cell characterized by increased expression of the MDR1 gene. The liposomes are composed of vesicle-forming lipids and include a vesicle forming lipid derivatized with a hydrophilic polymer chain having a free distal end. A folate ligand is attached to the free distal end of at least a portion of the hydrophilic polymer chains, and a therapeutic agent entrapped in the liposomes.

A2

In the Claims: Please replace claim 1 with the following:

B1

A3

1. (Amended) A method of administering a therapeutic compound to a multi-drug resistant cell expressing P-glycoprotein, comprising

preparing a conjugate composed of (i) a carrier; (ii) a folate ligand attached to the carrier; and (iii) a therapeutic agent associated with the carrier; and

administering the conjugate to a subject;

whereby said administering is effective to achieve accumulation of said therapeutic agent in said cell.